90010

MISSION TO PAKISTAN AND AFGHANISTAN

PROJECT ASSISTANCE COMPLETION REPORT Commodity Export Program (306-0205)

Submitted by Office of Afghan Field Operations

May 1994

TABLE OF CONTENTS

		PAGE
	List of Acronyms	
1.	Basic Program Data	1
2.	Project Goal and Purpose	1
3.	Background	2
4.	Project Components	4
	Procurement and Logistics	4
	Mine Detection Restoration of Transportation Infrastructure	5 6
5.	Inputs	7
6.	Project Accomplishments	8
	Procurement and Logistics	8
	Mine Detection Restoration of Transportation Infrastructure	8 9
		y
7.	Lessons Learned	10
8.	Sustainability	11

PROJECT ACTIVITY COMPLETION REPORT

COMMODITY EXPORT PROGRAM (306-0205) May, 1994

1. BASIC PROJECT DATA

Action	Date	PACD	Auth, Amoun
Authorization	8/8/86	8/7/89	\$ 24.5 million
Amendment No. 1	3/7/88	n/a	\$ 30.0 million
Amendment No. 2*	8/16/88	8/14/91	\$ 61.4 million
Amendment No. 3**	11/4/88	n/a	n/a
Amendment No. 4***	11/29/88	n/a	\$ 77.9 million
Amendment No. 5****	7/24/89	n/a	n/a
Amendment No. 6	8/2/90	12/31/93	\$ 87.4 million
Amendment No. 7	3/29/92	6/30/94	ħ/a
Amendment No. 8	6/25/92	n/a	\$109.0 million

- * Adds Studies component
- ** Adds Mine Detection activities
- *** Adds Transportation activities
- **** Adds Support to Spokesperson's Office of the AIG

Total obligations: \$94,841,809

Total expenditures: \$ 90,916,490 (as of 03/31/94)

2. PROJECT GOAL AND PURPOSE

- To provide assistance to meet urgent humanitarian and rehabilitation needs of Afghans.
- To support the Free Afghan leadership and the international donor community to repatriate refugees by helping provide for their basic needs over the short term and instilling self-sufficiency for the long-term.

3. BACKGROUND

The Soviet armed forces invaded Afghanistan in December 1979, but at the time the Commodity Export Project (CEP) was being conceived in 1986, Afghans tenaciously held on to their homeland after more than six years of widespread and often cruel warfare.

Much of the fighting had been near the Pakistan border, with the Soviets trying to interdict supply lines leading into Afghanistan and intercept and destroy commodity caravans. Fixed wing

aircraft and helicopter gunships were striking nearer to the major supply routes than ever before. In the major war-affected areas near the border, the land had been largely depopulated. Alliance parties and Mujahideen commanders from that area reported that some eighty percent of the population had been forced to relocate into the mountains where they were safer from Soviet attacks, but where many of the basic necessities of life were unavailable.

When the parties and commanders were asked, "What commodities are needed most urgently by people in your area?", the answer was almost always the same: food, followed in order by medicine, clothing and shelter. They also repeatedly emphasized their immediate need for pack animals to transport commodities inside Afghanistan (mechanized transport being too easy a target for aerial attacks). Inefficiencies of commodity selection, procurement, storage, transport, and distribution compounded the problem. This is what the Commodity Export Program (CEP) was designed to cure. The CEP would use modern logistic techniques to improve the use of scarce resources and apply them in a setting of greatest scarcity. Sound supply management practices, which were successfully applied in private enterprises, would be introduced to overcome operational problems. The Office of the AID Representative for Afghan Affairs (O/AID/Rep) was convinced that substantially greater use could be made of available accounces through improved management of the commodity supply process.

The Government of Pakistan (GOP) played a key role in providing commodity and logistics support to the Afghan refugees. Their knowledge of internal supply routes, transport, storage and distribution was also extremely valuable in conceptualizing the CEP. The establishment and operation of the CEP required the continuing approval and support of the GOP; since we needed their support and assistance, Pakistani interests and views were given the highest consideration.

The Seven Party Alliance of Afghan Mujahideen was composed of the major Afghan parties, with their leadership exiled in Pakistan. The parties, in turn, represented many of the mujahideen commanders throughout Free Afghanistan. Even though the parties were united in their goal of ridding their country of the Soviets, there was competition among them as they sought to enhance their separate positions through sometimes exaggerated claims of controlling various population groups in Afghanistan. It was felt that this fledgling institution, as imperfect as it was, was the best intermediary for a workable linkage between the CEP and the target Afghan populations. The parties had experience and some internal capability in working with commodities and in procurement and distribution of humanitarian items.

In early 1996, the AID Representative contracted the design of a cross-border commodity relief activity to the American Manufacturers Export Group (AMEG). Three consultants prepared an Activity Approval Memorandum (an abbreviated Project Paper) for submission to and approval by the Assistant Administrator of the (then) Asia and Near East (ANE) Bureau in Washington.

The CEP design effort included working-level group meetings in Peshawar with the entire Alliance and individual interviews with each party. There were separate interviews held with each party's transport representatives and also with their logistics leaders on commodity selection. Some parties arranged meetings with mujahideen commanders to discuss commodity

requirements, in-country distribution, and end-use monitoring. In addition, the CEP design team visited Quetta and met with working level party representatives from that region as well.

The CEP was designed to provide a wide range of humanitarian commodities to the free areas of Afghanistan. The CEP was thought to have a high potential for rapid impact, quick disbursements, and positive political and developmental results. Because of the uniqueness of USAID assistance at that time, the CEP was innovative, flexible, and appropriate for achieving the purpose of providing assistance to the free population in Afghanistan.

The opportunities for improvements in humanitarian commodity supply were thought to be many and diverse, but they required an organized supply system, a carefully devised plan, and qualified advisors. Establishing a commodity management system depended upon an understanding of the existing supply systems between Pakistan and Afghanistan, as well as within Afghanistan. The proposed CEP involved establishing commodity requirements, procuring and moving supplies. It involved delivering large amounts of commodities on schedule to many Afghans located in numerous places, with difficult access. It included a complicated process to bring a commodity from a supplier in the U.S., Pakistan or a third country, to the individual Afghan end-user. This required the coordinated efforts of many groups and individuals.

The importance of commodities to the Afghan resistance was recognized in light of the following:

- additional humanitarian commodities would most likely improve the living conditions of the general population;
- many basic necessities were scarce or unavailable as a result of the prolonged conflict;
- provision of humanitarian items maintained and/or promoted public trust between the mujahideen commanders, the resistance parties and the populations they served;
- adequate supply acquisition and delivery systems did not exist for the size and dispersion of the population being served; and,
- substantive improvements in humanitarian commodity supply were thought to be feasible.

The immediate project goal was to establish a CEP that substantially increased and expedited the provision of humanitarian commodities to the general population in Free Afghanistan. The proposed program was designed to have a quick political and developmental impact. It had to obligate and disburse funds rapidly.

The CEP would identify and implement more efficient means of providing additional humanitarian assistance. The CEP was designed to make a major contribution to USAID

program objectives by providing the means for Afghans to remain in Afghanistan and to encourage Afghan refugees in Pakistan to return to their homeland. While PVO programs opened the door for the CEP, they were only able to "scratch the surface". The CEP was designed to support the GOP's and USAID's efforts to increase cross-border assistance to vastly larger numbers of war-affected Afghans. It would supplement and be supportive of discrete USAID project activities in the education, health and agriculture sectors.

The McCollum Amendment to the Defense Appropriations Act provided for the transportation of humanitarian commodities and equipment to Pakistan and Afghanistan for the use of Afghans who were displaced or who were refugees because of the war. U.S. Military excess property was a non-lethal material. Transport could also be provided for commodities donated by American organizations. In addition, the funds could be used for the transportation of Afghans who required medical care to the U.S. or Europe. McCollum activities involving PVOs and medical evacuations were generally handled outside the parameters of the CEP. But upon the deployment in Pakistan, the U.S. technical assistance contractor was also to assume its responsibility for appropriate activities relating to the McCollum program, including the selection and delivery of D.O.D. excess property.

In accomplishing the immediate objectives of the project, the CEP technical assistance contractor would work closely with the Alliance parties and the GOP. The CEP would in this manner strengthen the institutional fabric of the Alliance by giving it a decision-making role at the very beginning of the program. Since the opportunities for increasing the effectiveness of humanitarian commodity delivery through improved supply management techniques were thought to be great, the political pay-off was that it would immediately be perceived by in-country leaders and the general population that the Alliance played a role in upgrading their living conditions.

The Commodity Export Program was approved and authorized by USAID/Washington on August 8, 1986, with a three-year life of project (LOP) and an initial authorized amount of \$24,500,000.

4. PROJECT COMPONENTS

The CEP evolved into a four-part project with the following components: procurement and logistics; mine detection; transportation infrastructure; and independent studies. The independent studies component, carried out under contract with a joint venture between Robert R. Nathan Associates and Louis Berger International (Nathan-Berger), is the subject of a separate Contract Activities Completion Report (CACR) and, therefore, will not be discussed herein. Each of the other three components are described hereafter:

Procurement and Logistics

Under this project component, the CEP procurement services contractor (initially AMEG, which was replaced by RONCO Consulting Corporation (RONCO) in FY 1989, following

competitive bidding) provided food, clothing, and other relief commodities procured for distribution under the CEP itself. In addition, the contractor provided procurement services for all of the other projects in the Afghanistan portfolio. At the height of the program, the contractor supported twenty-three separate entities.

Logistical services were provided to deliver the relief commodities procured under the CEP project to the Afghan people. In addition, the following logistic support was provided for other projects:

- receipt, storage and transshipment of equipment and commodities for other projects in the Afghanistan portfolio and for PL-480 wheat;
- handling, inventory, storage and transshipment of commodities and equipment donated under the Department of Defense Afghan Humanitarian Relief (McCollum) program, including both air and sea shipments;
- assumption of responsibility for excess project equipment and commodities as other projects phased out, including the conduct of 14 auctions of equipment.
- conduct of an animal holding facility (AHF) to house and train pack and traction mules
 (used to transport commodities into Afghanistan) and to train Afghans as paravets and
 farriers. Dogs trained in land mine detection were later housed at the AHF (see
 discussion of Mine Detection component, below).

The nature of the logistics operations was wide-ranging and included receipt, inspection, storage, inventory, stock control and accountability, surveillance, preventive maintenance services, transport, issue and distribution, and monitoring and tracking of goods to final destinations both in Pakistan and Afghanistan. Transport included both sea and air shipments using every conceivable mode of transportation, including ships, trucks, rail car, rafts, mules and human labor.

Mine Detection

The Mine Detection Dog Center (MDC) is an organization which uses dogs which have been trained to detect explosives to clear mine fields in Afghanistan. The presence of upwards of 10 million mines in Afghanistan impedes the transportation of commodities, inhibits the repatriation of Afghan refugees, and poses risks to rural Afghans. The MDC evolved from a pilot project initiated under the CEP in 1989. This pilot activity was the result of the familiarity of the veterinarian employed by AMEG in the animal holding facility (then engaged in training and deploying mules) with the successful use of dogs to detect mines in Thailand. Fourteen trained German Shepherds were donated by the Royal Thai Government. Thai trainers assisted in establishing a training program for Afghan handlers. After the success of the pilot venture was proven through deployment of dogs and their handlers into Afghanistan in September, 1989, RONCO contracted with a U.S. firm to procure and pre-train additional dogs. Experienced consultants were retained to provide the necessary technical assistance in Pakistan to train the

dogs and their Afghan handlers to function as effective mine detection teams. As of February, 1994 the MDC had 93 dogs and 277 Afghan and Pakistani personnel.

The mine detection dogs and their handlers operate in Afghanistan in conjunction with Afghan de-mining NGOs under the aegis of the United Nations' Operation Salaam. Effective February 1, 1994, MDC was officially transferred to the United Nations Office for Coordination of Humanitarian Assistance (UNOCHA) pursuant to a Memorandum of Understanding between the U.S. and UNOCHA signed on February 20, 1992. During the two-year transition period, the capabilities of the MDC personnel were cultivated such that the organization was taken from one totally reliant on a RONCO expatriate manager, and on RONCO's functional staff and Area Logistics Offices for all managerial, procurement, logistics, and administrative/fiscal support, to a self-sustaining, independent organization. Continued funding for the operational support of the MDC through 1996 has been provided through a \$3.6 million grant to UNOCHA made by USAID under the Technical Services and Support Project (TSSP).

Restoration of Transportation Infrastructure

Under this project component, the Afghan Construction and Logistics Unit (ACLU) employs heavy construction units inside Afghanistan to reconstruct roads and bridges. This entity was formed shortly after the conclusion of the Geneva Accords in April of 1988, when the conventional wisdom was that an early peace settlement would be reached, which would be followed by the rapid, large-scale repatriation of refugees. The ACLU was formed for the dual purpose of (1) providing the transport capability to enable refugees to return to Afghanistan and to supply the commodities necessary for their resettlement, and (2) repairing the transportation infrastructure of Afghanistan to facilitate the return of refugees and facilitate the resumption of commercial activities.

Because an end to hostilities in Afghanistan did not materialize as expected, the repatriation process proceeded more slowly than anticipated. In addition, it became apparent that the private commercial transportation sector was adequate to meet the needs of the program for commodity distribution. Another contributing factor was that the transport wing of the ACLU was almost entirely made up of Hezb-i-Islami (Hekmatyar) personnel. Hekmatyar, who had become vituperatively anti-American by that time, had taken a lead role in hijacking convoys of USG-financed commodities. As a result, in the summer of 1991, the decision was made to disband the transportation wing of the ACLU.

On the other hand, the demand for the assistance of the ACLU in road and bridge repair and construction projects continued to increase, such that, in the first quarter of 1992, the number of construction units was increased from four to six.

During the final year of the project, Construction Control Services Corporation (CCSC), the technical assistance contractor to USAID for this project component, concentrated its efforts on building up the institutional capabilities of the ACLU so that it could continue to operate as an independent Afghan construction firm after completion of the project. As USAID financing

for construction work inside Afghanistan was scheduled to cease as of September 30, 1993, financing from third parties for construction jobs was actively pursued. An assessment of the ACLU was conducted by an independent consultant which confirmed ACLU's prospects for survival as an independent entity. Registration of the ACLU as a legal entity was completed and ACLU was launched to operate on its own as March 31, 1994.

5. PROJECT INPUTS

Because of the nature of the Afghan Cross-Border Humanitarian Assistance program, and the lack of a counterpart government, all funds under the CEP were obligated into contracts, grants, and procurements. This was a unilateral project, hence no contributions in this project were included from the Government of Afghanistan. A break-out of project expenditures by contract follows:

CONTRACTOR	CUMULATIVE EXPENDITURES(\$)
1. AMEG Contract	33,000,309
Logistical Support	1,043,349
Technical Assistance	5,058,107
• Program	26,898,853
2. RONCO Contract	31,327,634
Logistical Support	1,569,973
Technical Assistance	14,838,690
Program	14,918,971
- Emergency Food and Transportation	9,958,869
- Logistics	752,810
- Mine Dog Center	2,045,095
- DOD Shipment Support	241,611
- Project Equipment	661,977
- Contingencies	1,258,609
3. CCSC Contract	24,677,267
Logistical Support	1,112,945
Technical Assistance	6,149,600
• Program	17,414,722
- Construction	17,356,368
- Transport	58,354
4. Nathan/Berger Contract	1,911,280
Technical Assistance	622,108
• Program	1,289,172

6. PROJECT ACCOMPLISHMENTS

Procurement and Logistics

In discharging its role as the procurement contractor for the entire Afghanistan portfolio, RONCO and its predecessor, AMEG, provided services for up to twenty-three entities, including the contractors and grantees under each of the other projects in the Afghanistan portfolio, UNHCR, UNOCHA and various Ministries of the Afghan Interim Government. Over the course of the project, 3,888 purchase contracts, worth \$76,842,281, were processed. The diverse list of items procured included relief food stocks and other emergency relief supplies; Bailey bridges; automobiles, tractors, trucks and engineering equipment; computer systems and other electronic equipment; pharmaceuticals and medical supplies and equipment; fertilizer, wheat seed and fruit trees; trained mine-detection dogs; mules and farrier equipment and office equipment.

In the logistics area, the major achievements of RONCO and its predecessor, AMEG, were:

- operated 17 different warehouses, including 3 inside Afghanistan;
- handled 128 Afghan Relief Flights and 9 surface shipments of Defense Departmentdonated humanitarian aid;
- Coordinated and facilitated movement and storage of USAID commodities for international donors, USAID projects and other relief organization, including obtaining No Objection Certificates from the GOP and road permits from the local authorities;
- Monitored more than 113,000 MT of commodities and food and more than 223,000 MT of PL-480 wheat shipped into Afghanistan, involving some 12,000 truck sorties;
- Assumed storage and distribution responsibilities for 6,345 MT of DAP fertilizer following the close-out of the DAI contract under the Agriculture Sector Support Project;
- Received, inventoried, and warehoused 85,000 items of excess property as other projects closed out. Conducted 14 excess property sales, garnering receipts of \$264,000. Turned remaining property over to USAID when project terminated.

Mine Detection

One of the major successes of the Afghan program was the establishment of the Mine Detection Dog Center (MDC). This subcomponent of the project consists of two animal holding and training facilities in Pakistan; the principal site is in Pabbi, near Peshawar, and the secondary site is in Quetta. As of February, 1994, the MDC operated with 93 dogs trained to detect land mines and other unexploded ordnance, and 277 dog handlers, managerial and support personnel. At any given time, there may be as many as 70 of the 93 mine-detecting dogs, 200

handlers and support personnel and 50-60 vehicles deployed inside Afghanistan from the base camps in Pabbi and Quetta, operating in 10-15 provinces inside Afghanistan.

In order to insure the sustainability of the MDC program, the TA contractor undertook an intensive training program to enhance the managerial and technical capabilities of the MDC Afghan and Pakistani personnel. The MDC was successfully groomed to continue its activities as an independent NGO, operating under the auspices of UNOCHA. The MDC is fully capable of performing the planning, programming and budgeting, procurement, operations and training, finance and administration, and logistics functions of the organization.

Since its first trials in Afghanistan in 1989, the mine dog program has cleared 9,360 square kilometers. Over 36,000 anti-tank, anti-personnel, or other unexploded ordnance have been dete, ed and destroyed, and 365,820 suspicious objects declared safe.

Restoration of Transportation Infrastructure

During the first three years following the creation of the ACLU in 1988, the Transportation and Logistics Section hauled over 20,000 tons of food, commodities, and other cargo, such as seed, fertilizer, agricultural machinery, and construction materials, into Afghanistan. In 1991, when it became clear that the private sector was able to provide adequate service for transport of commodities and return of refugees, the ACLU was reoriented to emphasize the repair and construction of roads and bridges inside Afghanistan. The ACLU initially operated two construction units; by the end of 1992 this increased to six units. The major achievements of this project component are highlighted below:

- 800 kilometers of roads inside Afghanistan repaired, 33 reinforced concrete bridges constructed or repaired, and 7 Bailey bridges erected;
- Completed a preliminary road survey of all 29 provinces of Afghanistan consisting of a data base, pictorial evidence, repair estimates and maps of the condition of 14,000 Km of roads, in 10 kilometer sections, and all bridges in Afghanistan;
- 1,174 ACLU employees trained in construction techniques and equipment operation (over 6,200 man-hours of training);
- Maintained 1,350 items of heavy equipment and vehicles;
- Completed 14 NGO contracts worth \$850,000;
- ACLU registered as a legal entity in Pakistan under the Societies Act, a Board of Directors was selected, and a Memorandum and Articles of Association were adopted; ACLU was launched as an independent construction firm as of March 31, 1994, equipped with 455 pieces of construction or maintenance equipment and vehicles costing \$12 million, nearly \$1 million in spare parts inventory, and a cadre of 80 highly skilled core employees;

- Constructed a maintenance center, equipment yard and parts depot in Hayattabad, with 6,000 linear feet of shelf space;
- Translated all manuals for the large equipment inventory from English into Dari.

7. LESSONS LEARNED

• The CEP provided a "rapid response" capability which enabled the Mission to quickly respond to the ever-changing operational environment inside Afghanistan in meeting the need of the Afghan people.

The CEP enabled the Mission to be proactive in providing emergency assistance to victims of natural disasters as well as the envisioned humanitarian aid to the Afghan people ravaged by war.

• The CEP served as an "incubator" whereby innovative pilot programs could be quickly undertaken and tested.

Useful activities such as the MDC, the ACLU, the Afghanistan Studies contract, and the mule program, would not have been possible without the flexibility built into the design of the CEP, which permitted the Mission to explore innovative solutions to the problems presented by the Afghan situation.

• Use of a central procurement agent to act of behalf of the entire Mission, its contractors and grantees, insured compliance with U.S. government regulations and effected cost savings through efficiencies of scale and elimination of duplicate layers of professional staff and logistical capabilities. However, having a procurement contractor does not eliminate the need for the implementing contracts to have competent technical staff to prepare adequate specifications to insure that items of a specialized nature, such as farm machinery, medicines and medical equipment, fertilizer, etc. will meet their needs.

The advantages of a centralized procurement agent are substantial and USAID auditors and other assessments gave RONCO high marks for their performance. At times, other contractors complained that the procurement process was cumbersome and required long lead times, or that the item procured did not meet their needs. Most often, this was due to the client contractor's lack of appreciation of government procurement regulations, lack of advance procurement planning, or inadequate technical specifications provided to the procurement contractor. However, better operational modalities for resolving differences between the contractors should have been established to reduce these tensions.

• When the program is closing out, the logistics contractor should be the last to go.

RONCO, with its warehousing capabilities and logistical expertise, performed a useful

function in receiving, inventorying, maintaining, and warehousing excess property of other projects as they closed out, such as the Narcotics Awareness and Control Project (NACP) and the Agricultural Sector Support Program (ASSP). At the height of its operations, they had custody of 85,000 separate items of property. They assisted in disposing, through public sale, of property that was not needed by the Mission. Unfortunately, the RONCO contract was closed out a few months before several of the remaining projects were closed out, thereby requiring a hand-over to USAID/EXO. While this transition went smoothly, it was nonetheless inefficient.

• Sustainability should be built in from the start, not retrofitted in the final stages.

The Afghan organizations brought into being under the CEP should have been nurtured all along to possess all of the capabilities they would need to operate independently some day. In the case of ACLU, they had an impressive engineering capability, but were weak in planning and marketing, and particularly in finance and accounting. The decision to groom ACLU for independence was made somewhat late in the game and led to a crash effort to impart these skills in a very short period of time.

The experience with the MDC was similar, in that, for most of the MDC's existence, it relied on RONCO for all managerial, procurement, logistics, and administrative/fiscal support. The transition to independence was more orderly, however, in that it was done over a two year period.

8. SUSTAINABILITY

A central purpose of the CEP was to provide food and other commodities to Afghans remaining inside Afghanistan with the objective of stemming the tide of refugees flowing into Pakistan and sustaining those who returned when conditions permitted. Sustainability was not an issue with respect to this relief aspect of the project. However, two other aspects of the project - the mine clearance efforts of the MDC and the road construction work of the ACLU - were the focus of intensive efforts to insure that their work could continue after termination of the CEP.

Mine Clearance

The MDC is the only organization operating in Afghanistan which uses mine detection dogs to locate land mines. The vastness of the problem of mines in Afghanistan, combined with the cruelty of the effects of these mines on the civilian populace, has attracted high level attention world-wide. As a result of the support for the MDC's efforts generated by this concern, the Mission was able to continue the funding of the MDC after the formal termination of the Afghanistan program through a grant to UNOCHA of \$3.6 million under the Technical Services and Support Project. This funding will provide operational support to the MDC through February, 1996.

In order to prepare the MDC to operate as an Afghan NGO, an Memorandum of Understanding (MOU) was executed between the U.S. government and UNOCHA in February of 1992, which provided for the eventual transfer of the MDC;s operations to the U.N. Mine Clearance Programme. This entailed the eventual shift of funding responsibility to UNOCHA, and required that the MDC be able to function autonomously as an NGO. During the two-year transition period, the TA contractor concentrated its efforts on building up the necessary expertise with the MDC such that it is now capable of conducting all of the managerial, procurement, logistical, and administrative/fiscal support functions formerly carried out by RONCO. UNOCHA's role is to coordinate the activities of the MDC with the other demining NGO's operating under the Operation Salaam umbrella, to insure compliance with U.N. reporting and accounting practices, and, occasionally, to assist with offshore procurements. The transfer of the MDC to UNOCHA became effective on February 1, 1994.

ACLU Construction Activities

An assessment of the ACLU was conducted by an independent consultant in late 1993, which confirmed our assessment of ACLU's prespects for survival as an independent entity. During the final year of the project, Construction Control Services Corporation (CCSC), the technical assistance contractor to USAID for this project component, concentrated its efforts on building up the institutional capabilities of the ACLU so that it could continue to operate as an independent Afghan construction firm after completion of the project. With 455 pieces of construction equipment, vehicles, and maintenance machinery, and a good inventory of spare parts, ACLU is well equipped to continue carrying out construction work inside Afghanistan.

As USAID financing for construction work inside Afghanistan ceased as of September 30, 1993, ACLU has actively pursued financing from third parties for construction jobs. As of January, 1994, ACLU was working on 11 active NGO jobs with a value of \$1.5 million, and was in various stages of negotiating for 13 more NGO jobs worth \$4.4 million. Registration of the ACLU as a legal entity was completed and ACLU was launched to operate on its own on March 31, 1994.